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10/698,140

10/31/2003

James D. Peterson

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EXAMINER

WONG, ERIC TAK WAI

ART UNIT

PAPER NUMBER

4172

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DELIVERY MODE

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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

## Office Action Summary

Application No.

10/698,140

Applicant(s)

PETERSON ET AL.

Examiner

Eric T. Wong

Art Unit

4172

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 31 October 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-22 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-22 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 31 October 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date 7/26/2004.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_.

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### DETAILED ACTION

1. Claims 1-22 are pending. The following is a non-final first Office action on the merits of claims 1-22.

#### ***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-8, 10-14, 16-18 rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent No. 5,126,936 to Champion et al. in view of US Patent No. 6,018,722 to Ray et al., further in view of US Patent No. 6,601,044 to Wallman.

#### **As per Claim 1,**

Champion et al. ('936) discloses:

receiving a risk tolerance for a client, (col 3: lines 15-22);

receiving preferences for the client, (col 3: lines 15-22);

identifying assets held in the client's portfolio, (col 3, lines 8-12);

based on the preferences and the risk tolerance for the client determining a recommended asset allocation, (col 3: lines 15-22);

identifying an asset in a client's portfolio which is recommended to be sold, (col 4: lines 46-51); and

wherein an asset is recommended to be sold based on one of the following criteria (1) the asset is recommended to be sold to achieve a recommended asset allocation, (col 4: lines 46-51) (2) the asset is recommended to be sold based on a specific client preference (3) the asset is recommended to be sold in

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order to achieve sector diversification (4) the asset is recommended to be sold based on a poor rating for the asset in the database (5) the asset is recommended to be sold in order to reduce concentration in the asset (6) the asset is recommended to be sold to realize tax loss harvesting.

Champion et al. ('936) does not expressly disclose:

providing a database with ratings for different financial assets

Ray et al. ('722) teaches:

providing a database with ratings for different financial assets, (figure 3: element 370, col 8: lines 24-30);

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include providing a database with ratings for different financial assets. Ratings for assets were old and well-known in the art at the time of invention. One skilled in the art would have been motivated to include such ratings in order to provide an indicator of performance.

The invention above does not expressly disclose:

generating a list of alternative assets in a client's portfolio to be sold

Wallman ('044) teaches:

generating a list of alternative assets in a client's portfolio to be sold, (col 31: 3-14);

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include generating a list of alternative assets in a client's portfolio to be sold. Generating a list of alternative assets was old and well-known in the art at the time of invention. One skilled in the art would have been motivated to include generating a list of alternative assets for the benefit of providing additional options to the investor.

**As per Claims 2 and 3,**

Champion et al. ('936) discloses:

identifying a plurality of assets in the client's portfolio which are recommended to be sold, (col 4: lines 46-51);

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Examiner notes the prior art teaches recommending assets to be sold with corresponding reasons. The limitation of generating a plurality of tables wherein each table corresponds to a reason to identify the basis for recommending that assets contained in the table be sold wherein each table contains one or more rows, and a plurality of columns, and each row corresponds to a specific asset which is recommended to be sold, and at least one of the columns indicates a rating from the database which corresponds to the asset which corresponds to the row where the rating is provided is not given weight because it constitutes a matter of design choice.

**As per Claim 4,**

Champion et al. ('936) discloses wherein the preferences for the client includes an identification of specific assets that a client wants to sell, (col 4: lines 10-21).

**As per Claim 5,**

Champion et al. ('936) discloses wherein the client preferences for the client includes an identification of specific assets that a client wants to hold, (col 4: lines 10-21).

**As per Claim 6,**

Champion et al. ('936) discloses:

receiving a client's risk tolerance and preferences, (col 3: lines 15-22);

identifying assets held in the client's portfolio, (col 3, lines 8-12);

based on the client preferences and the client risk tolerance determining a recommended asset allocation, (col 4: lines 45-51);

identifying a first set of assets held in the client's portfolio which are recommended to be sold;

identifying a second set of assets recommended to be purchased and included in the clients portfolio,

wherein if a client sells the first set of assets, and purchases the second set of assets, an asset allocation for the client's portfolio will be closer to the recommended asset allocation, than if the client does not make purchases or sales in the client's portfolio.

Champion et al. ('936) does not expressly disclose:

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providing a database with ratings for different financial assets;

wherein the identification of the first set of assets takes into account the ratings for assets provided in the database;

wherein the identification of the second set of assets takes into account the ratings for assets provided in the database;

Ray et al. ('722) teaches:

providing a database with ratings for different financial assets, (figure 3: element 370);

wherein the identification of the first set of assets takes into account the ratings for assets provided in the database, (figure 3: elements 380, 385);

wherein the identification of the second set of assets takes into account the ratings for assets provided in the database, (figure 3: elements 380, 385); and

It would have been obvious to one skilled in the art at the time invention to modify the invention of Champion et al. ('936) above to include:

providing a database with ratings for different financial assets;

wherein the identification of the first set of assets takes into account the ratings for assets provided in the database;

wherein the identification of the second set of assets takes into account the ratings for assets provided in the database; and

One skilled in the art at the time of invention would have been motivated to make the above modifications because it is old and well-known in the art that investors often take account ratings into consideration when choosing to buy or sell assets.

The invention above does not expressly disclose:

for at least one asset of the first set of assets to be sold generating a group of alternative assets which could be sold;

for at least one asset in the second set of assets providing a group of alternative recommended assets to purchase;

Wallman ('044) teaches:

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for at least one asset of the first set of assets to be sold generating a group of alternative assets which could be sold, (col 31: 3-14);

for at least one asset in the second set of assets providing a group of alternative recommended assets to purchase, (col 31: 3-14);

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include:

for at least one asset of the first set of assets to be sold generating a group of alternative assets which could be sold;

for at least one asset in the second set of assets providing a group of alternative recommended assets to purchase;

One skilled in the art would have been motivated to include generating a list of alternative assets for the benefit of providing additional options to the investor so that the investor may take similar assets into consideration.

**As per Claim 10,**

Champion et al. ('936) discloses:

identifying assets held in a client's portfolio includes identifying multiple accounts owned by the client, and identifying all of the assets held in each of the multiple accounts, (col 4: lines 46-51).

**As per Claim 11,**

Champion et al. ('936) discloses:

client preferences includes an identification of specific assets held in the client's portfolio that the client does not want to sell, (col 4: lines 10-21).

**As per Claim 14**

Champion et al. ('936) discloses:

identifying assets held in a client portfolio, (col 3, lines 8-12);

inputting a client's preferences and risk tolerance, (col 3: lines 15-22);

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determining a recommended asset allocation based on the client preferences and risk tolerance, (col 3: lines 15-22);

identifying first set of assets in the client portfolio which are recommended to be sold, (abstract);

identifying a second set of assets which are recommended to be purchased and held in the client portfolio, (abstract);

Champion et al. ('936) does not expressly disclose:

providing a database with ratings for different assets;

providing a microprocessor which is operable to apply a set of rules which are used to identify the first set of assets, and the second set of assets, wherein the rules include recommending the selling of an asset which is identified as having a low rating in the database,

Ray et al. ('722) teaches:

providing a database with ratings for different assets, (figure 3: element 370);

providing a microprocessor which is operable to apply a set of rules which are used to identify the first set of assets, and the second set of assets, wherein the rules include recommending the selling of an asset which is identified as having a low rating in the database, (col 4: 17-26); and

It would have been obvious to one skilled in the art to modify the invention above to include:

providing a database with ratings for different assets;

providing a microprocessor which is operable to apply a set of rules which are used to identify the first set of assets, and the second set of assets, wherein the rules include recommending the selling of an asset which is identified as having a low rating in the database,

One skilled in the art would have been motivated to make such modifications for the benefit of maximizing potential profit. It is old and well-known in the art that investors often consider ratings when choosing assets to buy, sell, or hold. One skilled in the art would have been motivated to provide a microprocessor to perform the recommendation in order to provide an automatic means to a manual process.

The invention above does not expressly disclose:



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for an asset which is included in the first set of assets identifying an alternative set of assets which could be sold;

Wallman ('044) teaches:

for an asset which is included in the first set of assets identifying an alternative set of assets which could be sold, (col 31: 3-14);

It would have been obvious to one skilled in the art to modify the invention above to include:

for an asset which is included in the first set of assets identifying an alternative set of assets which could be sold;

One skilled in the art would have been to make such modification for the benefit of presenting additional options to the investor so that the investor may take similar assets into consideration.

**As per Claim 16,**

Champion et al. ('936) discloses:

for each asset which is included in the second set of assets, identifying a reason for recommending the purchase of the asset.

**As per Claims 7-8, 12-13, 17-18**

Examiner notes the prior art teaches recommending assets to be sold/purchased with corresponding reasons and ratings. The limitations of generating pluralities of tables and providing ratings in columns corresponding to the rows corresponding to assets are not given weight because they constitute matters of design choice.

4. Claims 19-20 rejected under 35 U.S.C. 103(a) as being unpatentable over US

Champion et al. ('936) in view of Ray et al. ('722), further in view of Wallman ('044),

further in view of Official Notice.

**As per Claims 19 and 20,**

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generating a first table wherein each asset of the first set of assets which are recommended to be sold is included in the first table, and wherein the first table contains one or more rows, and a plurality of columns, and each row corresponds to a specific asset which is recommended to be sold, and each row provides an edit field where a user can select the edit field;

in response to a user selecting an edit field in a first row corresponding to a first asset recommended to be sold, displaying a group of recommended alternative assets which could be sold in place of the first asset.

generating a second table wherein each asset of the second set of assets which are recommended to be purchased is included in the second table, and wherein the second table contains one or more rows, and a plurality of columns, and each row corresponds to a specific asset which is recommended to be purchased, and each row provides an edit field where a user can select the edit field;

in response to a user selecting an edit field in a first row, of the second table, corresponding to a first asset recommended for purchase, displaying a group of recommended alternative assets which could be purchased in place of the first asset recommended to be purchased.

Examiner notes the prior art teaches recommending assets to be sold/purchased with corresponding reasons and ratings. The limitations of generating pluralities of tables and providing ratings in columns corresponding to the rows corresponding to assets are not given weight because they constitute matters of design choice.

Official Notice is taken that an edit field which when clicked provides a group of alternatives is old and well-known in the art (eg. Drop-down box). The reference teaches providing recommended alternative assets which could be sold or purchased and it would have been obvious to one skilled in the art at the time of invention to include modify the invention with said feature. One skilled in the art would have been motivated to do so in order to provide a user-friendly interface.

5. Claim 15, 21 rejected under 35 U.S.C. 103(a) as being unpatentable over

Champion et al. ('936) in view of Ray et al. ('722), further in view of Wallman ('044),

further in view of US Patent Application Publication No. US 2002/0147671 A1 to Sloan et al.

**As per Claim 15,**

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Champion et al. ('936) discloses:

where a first security occupies more than 20% of the client's portfolio recommending a sale of the holdings in the first security, such that the first security will represent no more than 20% of the client's portfolio, (col 4: lines 10-21);

The invention above does not expressly disclose:

where a first group of securities are of a first sector type, and where the first group of securities are more than 20% above a recommended benchmark sector weight for the first sector type, recommending the sale of some of the securities in the first group to bring an exposure to the first sector type down to 10% above the recommended benchmark sector weight for the first security type

Sloan et al. ('671) teaches:

where a first group of securities are of a first sector type, and where the first group of securities are more than 20% above a recommended benchmark sector weight for the first sector type, recommending the sale of some of the securities in the first group to bring an exposure to the first sector type down to 10% above the recommended benchmark sector weight for the first security type, (Figure 5: element 238); and

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include:

where a first group of securities are of a first sector type, and where the first group of securities are more than 20% above a recommended benchmark sector weight for the first sector type, recommending the sale of some of the securities in the first group to bring an exposure to the first sector type down to 10% above the recommended benchmark sector weight for the first security type

One skilled in the art at the time of invention would have been motivated to make such modification for the benefit of reducing risk through maintaining sector diversification. It is old and well-known in the art that diversification is generally correlated to reduced risk.

The invention above does not expressly disclose:

where an asset has a rating in the database which indicates poor future expected performance recommending the sale of the asset

Ray et al. ('722) teaches:

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where an asset has a rating in the database which indicates poor future expected performance recommending the sale of the asset, (col 7: line 65 – col 8: line 2).

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include:

where an asset has a rating in the database which indicates poor future expected performance recommending the sale of the asset.

One skilled in the art would have been motivated to make such modifications for the benefit of maximizing potential profit. It is old and well-known in the art that investors often consider ratings when choosing assets to buy, sell, or hold.

**As per Claim 21,**

Champion et al discloses:

recommending the selling of a first asset which represents an over concentration of the portfolio in the first asset, (col 4: lines 46-51); and

The invention above does not expressly disclose:

recommending the selling of a second asset where the second asset is part of a group of assets in a sector where the group of assets in the sector exceeds a targeted allocation for the sector.

Sloan et al. ('671) teaches:

recommending the selling of a second asset where the second asset is part of a group of assets in a sector where the group of assets in the sector exceeds a targeted allocation for the sector, (Figure 5: element 238).

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include:

recommending the selling of a second asset where the second asset is part of a group of assets in a sector where the group of assets in the sector exceeds a targeted allocation for the sector.

One skilled in the art at the time of invention would have been motivated to make such modification for the benefit of reducing risk through maintaining sector diversification. It

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is old and well-known in the art that diversification is generally correlated to reduced risk.

6. Claims 9, 22 rejected under 35 U.S.C. 103(a) as being unpatentable over Champion et al. ('936) in view of Ray et al. ('722), further in view of Wallman ('044), further in view of Sloan et al. ('671), further in view of US Patent No. 6,832,209 B1 to Karp et al.

**As per Claim 9,**

Champion et al. ('936) discloses:

Generating a first set of assets is done based on the following criteria:

(1) an asset is recommended to be sold to bring the client portfolio closer to the recommended asset allocation, (col 4:lines 46-51)

(2) an asset is recommended to be sold based on a specific client preference, (col 4: lines 31-34)

(5) an asset is recommended to be sold in order to reduce concentration in the asset, (col 4: lines 46-51)

Champion et al. ('936) does not expressly disclose:

(3) an asset is recommended to be sold in order to achieve sector diversification

Sloan et al. ('671) teaches:

(3) an asset is recommended to be sold in order to achieve sector diversification, (Figure 5: element 238)

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include:

(3) an asset is recommended to be sold in order to achieve sector diversification

One skilled in the art at the time of invention would have been motivated to make such modification for the benefit of reducing risk through maintaining sector diversification. It is old and well-known in the art that diversification is generally correlated to reduced risk.

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The above invention does not expressly disclose:

(4) an asset is recommended to be sold based on a poor rating for the asset in the database

Ray et al. ('722) teaches:

(4) an asset is recommended to be sold based on a poor rating for the asset in the database, (col 6: lines 31-37)

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include:

(4) an asset is recommended to be sold based on a poor rating for the asset in the database

One skilled in the art at the time of invention would have been motivated to make such modification for the benefit of maximizing potential profit by taking into consideration investors using ratings as a guide for asset allocation, a method which is old and well-known in the art.

The above invention does not expressly disclose:

(6) an asset is recommended to be sold to realize tax loss harvesting

Karp et al. ('209) teaches:

(6) an asset is recommended to be sold to realize tax loss harvesting, (col 4: lines 18-20)

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include:

(6) an asset is recommended to be sold to realize tax loss harvesting

One skilled in the art at the time of invention would have been motivated to make such modification in order to increase profit by offsetting capital-gains tax, a method which is old and well-known in the art.

**As per Claim 22,**

The invention above does not expressly disclose:

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recommending the selling of a third asset in order to realize a capital loss

Karp et al. ('209) teaches:

recommending the selling of a third asset in order to realize a capital loss (col 4: lines 18-20)

It would have been obvious to one skilled in the art at the time of invention to modify the invention above to include:

recommending the selling of a third asset in order to realize a capital loss

One skilled in the art at the time of invention would have been motivated to make such modification in order to increase profit by offsetting capital-gains tax, a method which is old and well-known in the art.

**Conclusion**

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Eric T. Wong whose telephone number is (571) 270-3405. The examiner can normally be reached on Monday-Friday 7:30AM-5:00PM, alternating Fridays.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tom Dixon can be reached on (571) 272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

NAEEM HAQ  
PRIMARY EXAMINER

Eric T. Wong  
Examiner  
Art Unit 4172

Oct 07

